

Appendix 5B

Mining exploration entity quarterly report

Name of entity

EMPIRE RESOURCES LIMITED

ABN

32 092 471 513

Quarter ended ("current quarter")

30 JUNE 2007

Consolidated statement of cash flows

| | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|----------------------------|--|
| Cash flows related to operating activities | | |
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for (a) exploration and evaluation | (509) | (908) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration | (8) | (129) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 66 | 129 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Other | - | - |
| Net Operating Cash Flows | (451) | (908) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchase or renewal of: | | |
| (a) prospects | (21) | (235) |
| (b) equity investments | - | - |
| (c) other fixed assets | (3) | (69) |
| 1.9 Proceeds from sale of: | | |
| (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | - | - |
| 1.10 Loans repaid to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other | - | - |
| Net investing cash flows | (24) | (304) |
| 1.13 Total operating and investing cash flows (carried forward) | (475) | (1,212) |

| | | | |
|------|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (475) | (1,212) |
| | Cash flows related to financing activities | | |
| 1.14 | Proceeds from issues of shares, options, etc. | 278 | 6,009 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | - |
| 1.17 | Repayment of borrowings | - | - |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other – share issue expenses | (13) | (478) |
| | Net financing cash flows | 265 | 5,531 |
| | Net increase (decrease) in cash held | (210) | 4,319 |
| 1.20 | Cash at beginning of quarter/year to date | 4,537 | 8 |
| 1.21 | Exchange rate adjustments to item 1.20 | - | - |
| 1.22 | Cash at end of quarter | 4,327 | 4,327 |

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

| | | Current quarter \$A'000 |
|------|--|----------------------------|
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 67 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

| | A\$'000 |
|--|---------|
| Directors fees, consultancy charges and remuneration | 67 |

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Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

| |
|---|
| 5,000,000 shares were issued at a deemed issue price of 18 cents each as consideration for the purchase of the Yarlalweelor uranium prospect. |
|---|

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

| |
|-----|
| N/A |
|-----|

Financing facilities available

Add notes as necessary for an understanding of the position.

| | Amount available \$A'000 | Amount used \$A'000 |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities | - | - |
| 3.2 Credit standby arrangements | - | - |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 750 |
| 4.2 Development | - |
| Total | 750 |

Reconciliation of cash

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter \$A'000 | Previous quarter \$A'000 |
|---|--------------------------|----------------------------|-----------------------------|
| 5.1 | Cash on hand and at bank | 4 | 243 |
| 5.2 | Deposits at call | 4,323 | 4,294 |
| 5.3 | Bank overdraft | - | - |
| 5.4 | Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | | 4,327 | 4,537 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|-----|---|--------------------|----------------------------------|----------------------------|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | - | - | - |
| 6.2 | Interests in mining tenements acquired or increased | - | - | - |

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

| | Total number | Number quoted | Issue price per security (cents) | Amount paid up per security (cents) |
|---|--------------|---------------|----------------------------------|-------------------------------------|
| 7.1 Preference securities <i>(description)</i> | - | - | - | - |
| 7.2 Changes during quarter | - | - | - | - |
| 7.3 +Ordinary securities | 60,418,192 | 47,374,556 | - | - |
| 7.4 Changes during quarter | 5,000,000 | 5,000,000 | 18 cents | 18 cents |
| 7.5 +Convertible debt securities <i>(description)</i> | - | - | - | - |
| 7.6 Changes during quarter | - | - | - | - |
| 7.7 Options | | | | |
| Exercise price: 25c | 3,000,000 | - | - | - |
| Exp date 31 Dec 2010 | | | | |
| Exercise price: 25c | 27,709,075 | 27,709,075 | 1 cent | 1 cent |
| Exp date 30 Jun 2009 | | | | |
| 7.8 Issued during quarter | 27,709,075 | 27,709,075 | 1 cent | 1 cent |
| 7.9 Exercised during quarter | - | - | - | - |
| 7.10 Cancelled/Expired during quarter | - | - | - | - |
| 7.11 Debentures <i>(totals only)</i> | - | - | | |
| 7.12 Unsecured notes <i>(totals only)</i> | - | - | | |

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Compliance statement

- 1 This statement has been prepared under accounting policies, which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
Print name:



Simon Storm
Company Secretary

Date: 7 July 2007

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